

Utah State Workforce Investment Board

Department of Workforce Services
1385 South State Street, SLC – Room 157
Meeting Minutes
October 14, 2010

Members Present: Paul Jackson, Kristen Cox, Rebecca Little, Marty Kelly for Larry Shumway, Sandy Phillips, Stephen Goodrich, Joe Christopher, Melissa Smith, Marie Christman, Ken Davey, William Sederburg, Rebecca Little, Don Uchida, James Judd, Randy Welsh, Connie Nielsen, Bruce Rigby, Rich Thorn, Dr. David Sundwall, Rich Kingery, Rob Brems, Tammie Lucero (for Randall Bennett), Christina Oliver for Spencer Eccles

Excused: Gifford Briggs, Bill Crim, Stanley Ellington, Sen. Mark Madsen, Don Salazar

Guest Presenter: Mark Bouchard

Others in Attendance: Jon Pierpont, Diane Lovell, Cassy Hahn, Rachael Stewart, Jane Broadhead, Susan Wright, Randy Hopkins, Rick Little, Brent Newren, Peggy Killian, Julie Lay, Lorri Economy, Jan Thompson, Melissa Freigang, Lynn Purdin, Jolyn Bevan, Kristen Floyd, Steve Leyba, Bob Gilbert, Dave Lewis, Jacob Smith, Bill Starks, Ally Isom, Karen Silver, Corrie Hout, Lynette Rasmussen, John Pitt, Cameron Martin

Welcome and Opening Business – Paul Jackson

Mr. Jackson welcomed everyone and called the meeting to order at 1:00 pm. He recognized the contributions and service of two departing Board members – Stephen Goodrich and Shawn Potter. A letter from the Governor and gift of appreciation were presented to Stephen Goodrich. Paul also acknowledged the long-standing service of Shawn Potter who who was unable to attend the meeting.

The resignations of Steve and Shawn bring the Board's vacancy total to six. Paul encouraged members to refer candidates from among their associates and colleagues who can strengthen the workforce partnership effort. Nominations can be emailed to Diane Lovell.

Paul noted that the State Workforce Investment Board is mandated by law. In Utah, we have referred to the Board as the State Council on Workforce Services. We are now transitioning to the more traditional title of State Workforce Investment Board or SWIB. Members may have already seen the two terms used interchangeably in recent months, but references to the State Council will be phased out over time. The new nomenclature is consistent with DOL's State Board references and coincides with the Governor's Office of Boards and Commissions titles. Using the title State Workforce Investment Board or SWIB reinforces our move away from the council system and aligns our terminology with that used by other states.

Approval of July 8, 2010 Minutes

A motion was made by Joe Christopher to approve the July 8, 2010 minutes as written, seconded by Sandy Phillips. The motion carried unanimously with no abstentions.

Healthcare Reform Act and Workforce Issues – Kristen Cox

Ms. Cox reported the Governor continues to be concerned about healthcare reform in Utah. Governor Herbert is looking to employers to drive the solutions to workforce needs as the healthcare industry is impacted by the new legislation. Ms. Cox asked the board to become involved and to help identify strategies to identify and address Utah's workforce challenges in healthcare.

Paul asked if the work is to begin quickly or if we are waiting until some structure has been provided. Kristen feels the work begins with developing a structure, creating a template, and then building a timeline.

Dr. Sundwall commented that Utah's version of health reform and the President's goals are the same but Utah is approaching it differently. The focus is still on universal coverage in that more people need to have access to health care. Dr. Sundwall indicated there is currently a shortage of physician providers in Utah and noted that the only medical school in the state has decided to cut their cohort size. Even if we are successful in receiving grants, the pipeline is long and it will be a while before we see results. Dr. Sundwall cautioned that we can't assume there are shortages in every area as there is no longer a nursing shortage in the Wasatch Front. The Board can benefit from the Medical Education Council, which is being formed.

Kristen indicated it is important for the SWIB to get oriented about data – about what is being said – in order to give the issue context. Melissa Smith noted that part of the problem is the need to convince providers to take lower schedule fees which will provide increased access for those at the bottom of the spectrum. A request was made for more background on Utah's health exchange and that it be provided at the next meeting.

Dr. Sundwall indicated that Utah is in the limelight because Utah is one of only two states that have their exchange up and running. Massachusetts, which is Medicaid based, is the other state. Utah's initiative is based on private sector solutions and individual choice. We are trying to get the Feds to allow some flexibility and Dr. Sundwall believes we are moving in the right direction.

Paul noted that we need to take a broad perspective regarding health care workers to include schools, dental offices, community health centers, home health care, etc. Approx 10% of the total workforce is involved in health care in some level. Chairman Jackson went on to say that technology has not reduced the need for health care workers, rather it has merely changed and now requires new workers with a new skill sets.

Kristen is cognizant there are a lot of plans related to workforce development in the health care industry and stressed that it will be important to benchmark and create consistencies in the data.

Legislative Update – Workforce Service Areas Amendments – Allyson Isom

Allyson Isom, DWS Director of Government Affairs briefed the Board on the status of the amendments to current statute proposing transition of the Regional Councils. Ally referred to the Situational Brief that explained the purpose and intent of the bill. The bill, sponsored by Sen. Pat Jones and Rep. James Dunnigan, has good support and is expected to be presented early in the session. One change that is forthcoming, is the inclusion of people with disabilities as recommended by Don Uchida.

Allyson also reported there have been concerns expressed by community partners that the bill doesn't prescribe the specific inclusion of community organizations on the local ad hoc advisory groups and discussions to identify the best means of addressing community involvement are underway. Melissa Smith expressed that she is optimistic and believes workable solutions will be identified.

Committee Reports

State Youth Council

Waiver Request – Action Item

On behalf of Marie Cristman, Jane Broadhead indicated that additional work is needed on the Youth Waiver Request action item. Due to time constraints, the Youth Waiver Request Report and request for State Workforce Investment Board action will be sent electronically.

Chairs and Operations & Performance

1. Committee Consolidation – Action Item

Joe Christopher reported the Chairs and Operations & Performance Committees have met jointly for the past few meetings and the committees are recommending formal consolidation of the two committees into the Operations and Performance Committee.

Joe Christopher made the motion. Don Uchida seconded the motion. All voted in the affirmative. Motion carried unanimously.

2. Training Provider Approval – Action Item

A list of four training provider applicants was considered. Each of the providers has met all DWS requirements and has been reviewed thoroughly by DWS staff. Approval of these providers does not guarantee they will receive training contracts or referrals; however, they will be placed on the state's list of approved training providers.

Joe Christopher moved for approval of the providers as presented. Randy Welsh seconded the motion. The proposed providers were approved unanimously.

3. Legislative Amendments – Action Requested

The Chairs and Operations & Performance Committee reviewed the proposed legislative amendments regarding State and Regional Councils. A change regarding membership was proposed. In the existing statute, four members are to be selected from large employers, and four from small employers. Sandy Phillips offered that since 75% of employers are from the Wasatch Front, her area (Central/Southwest Utah) would like to see a stipulation that at least one large employer and one small employer representative be from rural Utah. (A large employer is classified as having over 100 employees.)

Bruce Rigby asked how this motion alters the make-up of the state board. Joe responded that the goal is to maintain an appropriate balance between rural and urban representation.

Joe moved that proposed statute language be amended to reflect that one of the four large employers and one of the four small employers be selected from outside the Wasatch front. Sandy Phillips seconded the motion.

Discussion - Steve Goodrich asked for clarification on how employers who employ people both within and outside of the Wasatch front, would be considered rural or urban. The understanding is that unless the employer had a hub outside of the Wasatch front, they would be considered urban.

Joe indicated that some flexibility would be necessary and determination would be made by DWS.

Rebecca Little requested further explanation on how flexibility is expanded if the legislation passes as proposed.

Ally Isom indicated that since the bill has already passed out of the interim committee as a committee bill, if such a significant alteration to the legislation is recommended, the legislation would likely need to return to committee, which may jeopardize DWS credibility and the bill's status as a committee bill. Another option is to move the bill forward and amend it in the Senate committee. However, this would make it appear that DWS and the SWIB (state board) were not unified and could compromise support. The bill sponsor, Sen. Jones, is not aware of this concern because the issue was raised only this morning.

Rebecca suggested using the flexibility in place to fill current vacancies.

Kristen Cox asked for a "sense of how significant the issue is" and prefers to see it addressed without amending statute.

Paul Jackson suggested amending the motion to say the urban/rural issue will be addressed in administrative rules.

Ally also explained that once the legislation passes, DWS will be required to craft appropriate administrative rules, specific to any process changes, and suggested using administrative rule to specify rural representation on the SWIB would be a sound method to insure concerns are addressed without jeopardizing the progress or status of the bill.

Diane clarified that ESA representatives (chairs) must be private sector employers according to existing and proposed statute.

Joe concurred with Kristen that “rules” may be a better place to address the concerns of rural SWIB members.

The motion was amended as follows: Specific inclusion of rural representation on the State Council will be addressed in Administrative Rules, stipulating that at least one small employer representative and one large employer representative be selected from employers outside of the Wasatch Front. The motion carried unanimously.

4. In-person Meetings

Joe reported that during the July 8th meeting, a request was made for an analysis of costs associated with meeting in person vs. conference calls. The cost difference is minimal and is outweighed by the benefits of meeting in person. The committee collectively agreed the board should continue meeting in person. Committees may meet via conference calls or other technology options as needed.

Salt Lake Chamber Prosperity 2020 Movement – Mark Bouchard, CBRE Managing Director

Mr. Bouchard began his presentation by stating that the Prosperity 2020 Movement stemmed out of the Chamber’s initiative on Education. Last year, a dialogue about priorities raised concerns about the state of Utah’s education and the quality of workforce available to be drawn on. Utah is now competing on a global level for business. For example, 10 years ago, when a company came to Utah, their questions were about either physical or governance issues (facilities or incentives). There has been an evolution. Now, companies are most concerned about the quality and depth of the workforce.

The business community is not going to tell educators how to educate the upcoming workforce, but they wish to express their needs with educators and government to share their perspective. “Education” is Utah’s largest business.

Mr. Bouchard went on to say that currently there is not a commonly accepted way to measure education’s effectiveness. The only way to successfully improve the quality of the workforce is to empower and invest in education. Business must empower educational leadership and trust them to do the right thing.

Kristen Cox asked for clarification regarding measurements as there seems to be a “glut of differing measurements.” Kristen asked if the problem is that we lack the right measurements. Mark responded that may be the case. As an example, if the Chamber is seeking data regarding reading proficiency for 3rd graders throughout the state, the Office of Education is currently unable to provide that information. Yet there is a correlation regarding a lack of reading proficiency in early education and the increasing need for additional prison space.

Mr. Bouchard closed by encouraging the board’s participation in the Prosperity 2020 movement.

Utah's 2020 Plan for Higher Education – Commissioner William Sederburg

Dr. Sederburg provided an overview of Utah's System of Higher Education's 2020 Plan for the future. They hope to have a tentative streamlined plan for the Governor by the end of November.

The primary purpose is to increase enrollment in higher education. UCAT is also working to expand participation in post-secondary education. Work over the next year is anticipated to build on common core standards and the general education requirements, and setting standard competencies.

The 2020 Plan is on line and available for comment. Dr. Sederburg asked the Board to review and provide feedback on the plan.

Other Business - none

Public Comment

Karen Silver of Salt Lake Community Action Program commented on three issues:

1) Rulemaking – Karen indicated the community she represents has concerns regarding the changes to conciliation, which they understand will terminate individuals for non-participation after one month. This will penalize those with special situations. They are further concerned that the Social Workers may not be involved in these decisions and the Family Employment Program (FEP) Redesign does not appear to address these concerns.

2) Ms. Silver expressed a number of concerns about proprietary schools and how they may be “ripping off” students. She is advocating that the ESA Advisory Groups include a trainee or someone who will represent students. Ms. Silver indicated that she and Melissa Smith will work with the department on these concerns.

3) Karen has appeared before the Legislative Appropriations Committee to advocate for funds to hire additional eligibility workers.

Corrie Hout of Futures Through Training requested that DWS consider agricultural employers for participation on the SWIB and/or ESA Advisory Groups. Paul Jackson suggested Ms. Hout submit names of candidates to Diane Lovell.

As there was no new or additional business, Paul thanked the body for their contributions and the meeting was adjourned.

Next Meeting: January 13, 2011